27 October 1981

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MEMORANDUM FOR: Deputy Director of Central Intelligence

FROM : Robert M. Gates

SUBJECT : DCI's Memo to you on Technology Transfer

With respect to paragraph 2, John McMahon informs me that his people are working on Item A and that the Department of Defense under Stilwell is developing procedures and arrangements for Item B.

On paragraph 5, I provided General Williams' listing to incorporate in the CI testimony.

With respect to paragraph 4 and the general thrust of the Director's concerns, it seems to me that there are two important tools potentially available for you and the DCI to use to help you not only get control of the technology transfer problem within the Community but also to identify important aspects of the problem in need of further work:

- The first is the new Technology Transfer Intelligence Committee. This seems the best vehicle to accomplish such tasks as working out the relationships between our new information on technology transfer and STIC's technology intelligence priorities for the 80s (per the DCI's memo). The TTIC is where everything from the Community should come together and it should be this Committee that provides Intelligence Community support to the policy community. The TTIC should be the hub of a wheel that includes NFAC, DDO, the FBI analytical capability, DIA's analytical capability and what other technology transfer efforts exist within the Intelligence Community.
- -- The second tool available to the DCI is a committee of retireds who, with experience and familiarity with the broad problem of counterintelligence, could provide advice to the DCI and you on CI matters generally and new approaches to technology transfer in particular. I believe that with the right membership, such a committee could also provide useful and creative ideas on CI in general and on better ways to accomplish the technology transfer part of CI.

It is important to establish a sound organizational base that is then in a position to address the specific questions and ideas that you two or others may

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have for dealing with technology transfer. I believe the Technology Transfer Intelligence Committee provides that foundation. At the same time, I believe the Bross committee should also be established quickly to advise you not only on counterintelligence in general but also to serve as a Council of Elders for the TTIC. Getting a handle on technology transfer is immensely complicated bureaucratically. Failure to provide an organizational focal point--such as the TTIC3-will ensure that the Intelligence Community contribution is diffuse, disorganized and certainly not as effective as it might be.

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* John McMahon won't like even if his man runs it.

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